

Section III - Other Activities to be Undertaken

This section describes actions to be taken, as required by the Consolidated Plan regulations, to address issues of particular concern to HUD. These include barriers to affordable housing, the effects of lead-based paint, coordination between public and private agencies providing housing and human services, efforts to reduce poverty, and others.

■ III. A. Actions to Address Obstacles to Meeting Underserved Needs

The analysis contained in the Consolidated Plan points to the greatest need being additional funds. The City will continue to identify other possible sources of funding. Beginning in City FY 2006, the City dedicated one cent on the real property tax rate for affordable housing. Additional revenues from the real estate recordation tax were also made available in FY 2006. In June 2005, City Council accepted a report from the Developer Housing Contribution Policy Work Group that included a suggested formula that would result in increased contributions to the Housing Trust Fund (see Affordable Housing Policy, Housing Trust Fund, and Developer Housing Contributions in Section III.B.).

■ III.B. Actions to Foster and Maintain Affordable Housing

For rental housing, the City's primary goal is to preserve the existing supply of public housing and replacement units covered by Resolution 830. In addition, subject to available resources, the City seeks to preserve the supply of other assisted rental housing, and to preserve and expand the supply of affordable private market rental housing. Affordable rental housing is generally defined as having rent levels that do not exceed those used for Low Income Housing Tax Credit (LIHTC) Program purposes, which are affordable to households at 60% of the area median income paying 30% of their income for rent. With regard to homeownership, the primary goal is to provide homeownership opportunities for households with incomes between 50% of the median income for the area (currently \$45,150 for a household of four) and the City-established maximum income limit (currently \$90,300 for three or more persons).

Resolution 830

The City has long held the preservation of its existing assisted rental housing stock as one of its highest priorities. Under Resolution 830, the City and ARHA have a long-standing joint commitment to preserve and maintain, at a minimum, 1,150 publicly-assisted housing units. This Resolution assures that none of the 1,150 public housing units in existence when the Resolution was adopted in 1982 will be lost without one-for-one replacement. The redevelopment of the Samuel Madden Homes (Downtown) public housing was completed during FY 2006, with the former 100 public housing units replaced by 52 on-site units and 48 units at three off-site units locations. In March 2006, ARHA issued a Request for Qualifications for the redevelopment of Glebe Park, a 152-unit property containing 40 public housing units.

The Affordable Housing Policy, Housing Trust Fund, and Developer Housing Contributions

The City will continue to foster and maintain affordable housing through its Affordable Housing Policy, which was originally adopted by City Council in January 1993 and most recently revised in November 2002. The policy sets forth the City's framework for the provision of affordable housing.

One of the most important elements of the Affordable Housing Policy is its establishment of the Affordable Housing Advisory Committee (AHAC), which advises City Council on issues regarding the Affordable Housing Policy, the Housing Trust Fund and the preservation and promotion of affordable housing. The Committee includes representatives from a cross-section of interests, including professionals from the real estate, finance, and legal professions; a builder/developer; a landlord; a homeowner; the ARHA Board of Commissioners; the faith community; a civic association; a renter; a City employer, and a group interested in the promotion of affordable housing.

In addition to making recommendations with regard to the Housing Trust Fund, AHAC also advises Council on the uses of the Housing Opportunities Fund, and is expected to play a similar role with regard to the Affordable Housing Initiatives Account. (Both of these funding sources are discussed below under Affordable Housing Development. AHAC also reviews and makes recommendations on Affordable Housing Plans for the provision of on-site affordable housing units in new developments.

It is estimated that during City FY 2007, approximately \$2,937,460 in Housing Trust Fund monies will be available for allocation to affordable housing activities. This includes \$2,537,460 in revenue anticipated to be received during the year, as well as \$400,000 in Housing Trust Fund monies newly allocated to the Housing Opportunities Fund, described below under Affordable Housing Development. These figures exclude approximately \$1,679,140 from FY 2006 and prior years that is committed to several ongoing activities discussed in Section I (i.e., Moderate Income Homeownership Program, Employee Homeownership Incentive Program, Homeownership Counseling Program, and others).

It is also anticipated that 35 affordable sales and 28 affordable rental units in new developments, most of which are under construction in FY 2006, will be completed during FY 2007. As of March 2006, an additional 9 pledged sales units are in the pipeline, and additional units are expected to be pledged during the remainder of the fiscal year. Based on the Five Year Consolidated Plan, the City's objective is to receive new pledges of at least 20 affordable sales units and 10 affordable rental units per year. However, these are minimum targets and staff will focus its efforts on exceeding these levels during FY 2007.

During City FY 2004, the City sought and received authorization from the State to include in its policies and zoning ordinance provisions for an Affordable Dwelling Unit (ADU) program under Section 15.2-2304 of the Virginia State Code, which would enable the City to provide optional increases in density in exchange for affordable housing, in a manner that allows greater flexibility than under the State Code section previously applicable to the City. In FY 2005, the City worked closely with developers and others to revise the level of developer contributions. The resulting report

of the City-established Developer Housing Contribution Policy Work Group adopted a level of suggested contributions higher than the \$1.00 per gross square foot contained in the 2002 version of the policy. That report was accepted by City Council in June 2005, and the development community members of the work group pledged to encourage their colleagues to abide by the conclusions of the report.

The contributions adopted by the work group's report are as follows:

Commercial development	Voluntary contribution of \$1.50 per square foot of gross floor area (gfa)
Residential Tier 1 (density, floor area ratio (FAR), height at base level permitted by Zoning Code/Master Plan)	Voluntary contributions: Rental: \$1.50 per square foot of permitted gfa Sales: \$2.00 per square foot of permitted gfa
Residential Tier 2 (density, FAR, or height increase allowed with Special Use Permit)	Voluntary contribution of Tier 1 amount plus \$4 per additional square foot of gfa made possible by SUP
Residential Tier 3 (bonus density, FAR or height)	Voluntary contributions of Tier 1 and Tier 2 (if applicable) amounts plus 1/3 of additional units made possible by bonus provisions of Zoning Ordinance. Zoning Ordinance to be amended to include specific requirements for units to be provided for projects covered by bonus provisions.

Affordable Housing Development

Although the Five Year Consolidated Plan calls for the development or preservation of at least 100 units per year, the City's goal for FY 2007 will be to develop or preserve 150 to 200 units. During FY 2007, affordable housing development activities will be supported with monies from the Housing Opportunities Fund and the Affordable Housing Initiatives Account.

Housing Opportunities Fund. The City established the Housing Opportunities Fund in February 2002 to promote the development and preservation of affordable sales and rental housing units in the City. The initiative was initially funded with a combined total of \$1 million dollars in HOME (including match), City General Fund and City Housing Trust Fund monies. A similar level of funding has been allocated to the Housing Opportunities Fund in every successive fiscal year. Projects supported with HOME monies through the Housing Opportunities Fund will leverage funding from state, local and/or private resources. Any HOME funds utilized for Housing Opportunities Fund projects will be subject to all applicable federal requirements, including income limits, rent levels and recapture or resale provisions.

During City FY 2007, an estimated \$700,000 in Housing Opportunities Fund monies (including an estimated \$400,000 in HOME funds, including match) is expected to be available to assist with feasibility studies, pre-development costs, land acquisition, new construction, rehabilitation, or other efforts to provide or preserve affordable housing. An additional \$400,000 (including carryover monies) will be used to support the operations of the Alexandria Housing Development Corporation, discussed below. For the purposes of this initiative, affordable sales housing is generally defined as having a maximum sales price of \$250,000 (for a three bedroom unit) and being sold to households that are within the City's income limits for its MIHP program (currently \$90,300 for a household of three or more persons).

Affordable Housing Initiatives Account. On May 14, 2005, Council adopted an ordinance to dedicate one cent on the real property tax rate for affordable housing. In FY 2007, this dedicated revenue source is expected to yield \$3,288,608. It is anticipated that these monies will be used to preserve and expand the stock of affordable housing, with a primary focus on affordable rental housing.

The Alexandria Housing Development Corporation

In FY 2004, the City endorsed the creation of organization and named five incorporators who established the non-profit Alexandria Housing Development Corporation with a mission to produce and preserve affordable housing in Alexandria (primarily, but not limited to, multifamily rental housing). The AHDC was incorporated in May 2004 and its Board of Directors now numbers nine members.

Multifamily rental housing supported by this organization will serve households with incomes of up to 60% of area median income (currently \$54,180 for a four-person household). Though sales housing supported by the organization may serve households with incomes of up to 100% of area median income (currently \$90,300 for four-person household), at least 75% of all AHDC-supported units will serve households with incomes no greater than 80% of area median income (currently \$59,600 for a four-person household as defined by HUD). Housing provided through the efforts of this organization will be expected to remain affordable in perpetuity.

Though the housing corporation is an independent entity, the City will be its primary source of operating funds during its initial years. AHDC continues to analyze potential opportunities for the development and preservation of affordable housing.

■ III.C. Actions to Remove Barriers to Affordable Housing

The City continues to work towards eliminating barriers to affordable housing development. One of the greatest regulatory barriers to the development of affordable housing may be State restrictions prohibiting the City from requiring mandatory contributions to affordable housing in new developments, except where they are in exchange for bonus density. Currently, with the

exception of contributions in exchange for bonus density, all other contributions are voluntary. FY 2007 will be the second year following Council's acceptance of the report of the Developer Housing Contribution Policy Work Group, which contains the group's conclusions concerning reasonable levels of housing contributions. The report states that it was intended to provide the clarity and certainty desired by the development community with regard to affordable housing contribution levels for a minimum three-year period, subject to action by the General Assembly. However, the report also notes that either the City or the Work Group may find it appropriate to revisit these issues in light of the outcome of the 2006 General Assembly Session, which was expected to involve input from the Virginia Housing Study Commission. The 2006 General Assembly Session resulted in legislation affecting only Alexandria's neighboring Arlington County.

■ III.D. Fair Housing Activities

Since 1988, the City has conducted ongoing fair housing testing to determine the presence of discrimination in the housing industry. The testing program uses paid testers to contact apartment complexes, real estate firms and mortgage lenders posing as potential applicants to test for discrimination based on race, familial or disability status, and sexual orientation. The Office of Housing files complaints with the Alexandria Human Rights Office when serious, repetitive problems occur. City staff meet with representatives of the entities tested to discuss less serious problems of discrimination discovered during testing.

During City FY 2007, the Office of Housing will conduct fair housing testing for discrimination on one or more of the following bases prohibited by federal or state fair housing laws or the City's Human Rights Ordinance: race, age, marital status, color, national origin, familial status, disability sex, religion, ancestry and sexual orientation.

In City FY 2007, Office of Housing staff will coordinate and present public education programs to improve public awareness and promote compliance with fair housing laws. In addition to a regularly scheduled annual seminar, Office of Housing staff conducts on-site fair housing training for real estate and property management professionals. This training is provided as a free service to businesses operating in the City.

Finally, the City provides fair housing information to tenants and landlords through the free publication *The Alexandria Guide to Landlord-Tenant Laws and Policies*. The Office of Housing's budget for the Fair Housing Testing Program in City FY 2007 consists of \$42,051 in new CDBG funds.

■ III.E. Actions to Evaluate and Reduce Lead-Based

The City's Office of Housing ensures that applicable programs are operated in accordance with HUD's Title X regulations on lead-based paint. All HAP purchasers are provided with a copy of the Environmental Protection Agency pamphlet "Protect Your Family From Lead in Your Home"

and must receive a disclosure form from the seller noting any known presence of lead-based paint. Units identified for purchase must be visually inspected for scaling, cracked, peeling or chipped paint by a certified risk assessor or Housing Quality Standard (HQS) inspector trained in visual assessment.

For cases in which deteriorated paint surfaces are identified, the City requires that such surfaces be stabilized before the homebuyer moves into the home. Such work must be conducted using safe work practices, and clearance testing must be conducted to determine that the lead hazard activities are complete. Prior to loan closing, and within 15 calendar days of the completion of lead hazard reduction activities, the homebuyer must be notified of the results of the clearance examination in a detailed report.

Assessments are also conducted when painted surfaces are to be disturbed or replaced through the City's Single Family Home Rehabilitation Loan Program. All costs associated with soil analysis tests (which must be done by the state) and the abatement of lead-based paint hazards will be included as part of the client's rehabilitation loan. For this program, the level of assistance being provided determines the actions that need to be taken to meet the requirements of the Title X regulations. These action levels are as follows:

- ▶ Assistance of \$5,000 or less: Conduct paint testing on the painted surfaces to be disturbed or replaced during rehabilitation and repair any paint that is disturbed. Perform clearance examination of worksite in accordance with HUD regulations. Clearance is not required if rehabilitation did not disturb painted surfaces of a total area more than 20 square feet on the exterior and two square feet on the interior in any one room.
- ▶ Assistance of \$5,001-\$25,000: Conduct paint testing on the painted surfaces to be disturbed or replaced during rehabilitation. Perform a risk assessment to include exterior painted surfaces, and perform interim controls on all lead-based paint hazards identified.
- ▶ Assistance of \$25,000 or greater: Conduct paint testing on the painted surfaces to be disturbed or replaced during rehabilitation and perform a risk assessment to include exterior painted surfaces. Abate all lead-based hazards identified by the paint testing or risk assessment and any lead-based paint hazards created as a result of the rehabilitation work. Interim controls are acceptable on exterior surfaces that are not disturbed by rehabilitation. This would refer to items that may be identified in the risk assessment but are not included in the scope of work for rehabilitation.

All testing and risk assessments, as well as clearance of any identified lead hazards, are performed by a certified lead-based paint inspector and a certified risk assessor to determine if rehabilitated units are safe for future occupants. At all times during rehabilitation, the City ensures that interim controls and standard treatment practices are followed. These include addressing friction and impact surfaces, creating smooth and cleanable surfaces, encapsulation, removing or covering lead-based paint components, and paint stabilization. The City also follows regulatory requirements regarding abatement and permanently removes lead-based paint hazards, often through paint and component removal and enclosure. In addressing these hazards, the City follows safe work practices for all work to be completed on lead-based paint surfaces. These

practices are required on interior surfaces larger than two square feet and on exterior surfaces larger than 20 square feet.

All initial meetings with the loan applicant and the architect include a discussion of lead-based paint requirements that may result in additional rehabilitation work and/or costs that were not anticipated by the client. If necessary to cover the cost of lead abatement activities, the program's loan limits can be exceeded, and the loan-to-value ratio can go as high as 110% of the home's value.

The Health Department will continue its lead-screening program for children during City FY 2007 at a projected cost of \$3,850 (not including follow-up or case management). An estimated 350 tests will be conducted to determine if the lead level of Alexandria children is above acceptable levels. Children with screening (capillary) levels above 10 µg/dl will have venous blood tested for lead levels. For children determined to have venous blood lead levels above 15 µg/dl, the Health Department will conduct environmental tests using its lead-based paint analyzer on suspect buildings in the City where these children live or play. Children with marked elevations will receive case management for necessary treatment and follow-up.

■ **III.F. Actions to Reduce the Number of Poverty Level Families**

The City's strategy regarding assistance to households with incomes below the federal poverty line is generally to support those programs, within available funds, that will help reduce the number of these households by improving their economic status through education, job training and job placement, and other support services. Many of the supportive housing and services for the extremely-low and low-income previously described in this Plan, especially those for homeless and at-risk persons, coincide with this strategy. As noted below, many of the City programs and services are offered in coordination with other public, private and non-profit organizations.

■ **III.G. Developing Institutional Structure**

The organizational structure for carrying out the City of Alexandria's affordable and supportive housing strategy is well-developed and involves a variety of public and private entities. This formal structure is very effective in implementing activities and programs to meet community needs. The City government, public agencies such as ARHA, and the network of private provider agencies which offer housing and/or supportive services in collaboration with public agencies aggressively pursue opportunities that will provide additional resources for particular steps on the continuum of services. The Housing Development Corporation discussed in Section III.B above has been created to enhance the existing institutional structure by establishing a development entity whose primary focus will be promoting housing development and preservation projects within the City.

■ **III.H. Coordination Between Public and Private Housing and Social Service Agencies**

Office of Housing staff work in cooperation with staff from the City's departments of Human Services and Mental Health, Mental Retardation, and Substance Abuse, in addition to the non-profit organizations that work with these agencies, to address affordable housing and supportive housing needs of the homeless and other persons with special needs.

The Alexandria Redevelopment and Housing Authority (ARHA) and City agencies frequently, and informally, coordinate their efforts to serve public housing residents. In addition, the Family Self-Sufficiency Coordinating Group, with representatives from ARHA, City agencies and community members, coordinates service delivery efforts.

The Office of Housing also works with agencies such as Fannie Mae, formerly the Federal National Mortgage Association, to stay abreast of new homeownership funding programs and underwriting requirements that would benefit various income level households.

■ **III.I. Fostering of Public Housing Improvements and Resident Initiatives**

Public Housing Improvements

ARHA completed a Physical Needs Assessment in 2005 from which it has prepared a prioritized list of proposed improvements for public housing units. Those specific projects targeted for FY 2007 include: Re-roofing various Scattered Site properties and installing exterior lighting, re-routing or covering gas leaks that pass through patio area of the Ramsey Homes, installing carbon monoxide detectors in all public housing units, and providing moderate rehabilitation of vacant public housing units.

ARHA Resident Initiatives

ARHA established its Social Services Division in 1999 to implement structured programs emphasizing education, training, and employment intended to promote self-sufficiency for residents. To support these programs, ARHA seeks federal, state and private grant monies usually in competition with other public housing authorities, resident councils, local and state governments and non-profit organizations, as well as in-kind services from local government agencies, community groups, faith-based organizations and non-profits. During City FY 2007, ARHA anticipates that limited social services will be provided to its residents through the Family Resource Learning Center (FLRC), which provides a variety of educational, social, and cultural activities for public housing children of all ages, and the Senior Services Outreach Program, under which ARHA collaborates with City and private agencies to ensure timely delivery of services

such as medical care, meals, clothing, financial management, and access to social services for elderly and disabled ARHA residents. General social services provided by City agencies are also available to ARHA residents.

During City FY 2007, ARHA will continue to promote resident input on ARHA initiatives. It is expected that the Parents Council and volunteers from the neighborhood will continue to work closely with the Family Resource Learning Center (FRLC), a program of ARHA's Social Services Division which provides a variety of educational, social, and cultural activities for public housing children of all ages. In addition, it is anticipated that the Agency Plan Residents' Advisory Board, which is comprised of public housing and Section 8 residents elected in an ARHA-wide election, will continue to contribute resident input on the Annual and Five-Year Public Housing Authority Plans required by HUD and that both the Alexandria Residents Council (ARC) and the Ladrey High-Rise Advisory Board (LHAB) will continue to work with ARHA to address resident needs.